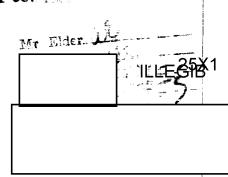
Approved For Release 2008 07/29: CTA-RDP80B01676R001000050002-6

\* The state of the

31 0CT 1961

Honorable John L. Moore Administrator General Services Administration Washington 25, D. C.

Dear Mr. Moore:



LLEGIB

This is in reference to the proposed new quarters of the Mational Photographic Interpretation Center which will be lecated in Washington, D. C.

Because of the recent substantial increases in the volume of significant intelligence data available to the intelligence community, the President's Fereign intelligence Advisory Board with the approval of the President has requested that there be explored the possibility of accelerating the time when the Center is to become operational. See the enclosed copy of a memorandum, dated October 11, 1961, from the Henerable McGeorge Bundy to the Chairman, United Sintes Intelligence Board, and the Birector's reply thereto.

It is respectfully requested that the Public Buildings Service, which is the Centruction Agent of the Central Intelligence Agency, negotiate a cost-plus-a-fixed-fee contract for construction of the Center, pursuant to authority contained in section 304(b) of the Federal Property and Administrative Services Act of 1947, as amended. I feel strongly that this method of contracting will accelerate the time when \_\_\_\_\_\_ will become operational. The Contract Architect-Engineer has been consulted in this matter and has agreed that he can provide at an early date plane adequate for the negotiation of

25X1

ILLEGIB

NCTICE

25X1

a contract to be followed by commencement of construction, whereas it would take nearly four menths to develop the specifications needed in advertising for bids. The completion of the work would also be advanced by about four menths.

Due to the fact that there are many unresolved problems in the systems study, it is clear there will be a large number of substantial change orders to be executed in carrying out the contract. From our experience, we believe that under a fixed price centract the cost of such change orders would be considerably more than if the changes were made under a negotiated contract of the type we are seeking and without the built in cost controls of the cost-plus-a-fixed-fee contract. Based on these conditions and all other information available, I believe that there is sufficient basis for a determination that a cost-plus-a-fixed-fee centract is likely to be less costly than other methods of contracting.

In addition, I feel that in a fixed price contract, because of the numerous change orders, we would be at the mercy of the contractor with respect to completion dates and thus could not be assured of compliance with the request of the intelligence Board, approved by the President, for acceleration of the work to be done. It would seem that section 302(c)(2) of the Federal Preparty and Administrative Services Act of 1949, as amended, is a proper vehicle for negotiating the contract, i. e., the public exigency will not admit of the delay incident to advertising. This is because of the magnitude and national importance of this project as indicated in the enclosed memorandum from the White House.

The Bureau of the Budget has been consulted on this matter and interposes no objection.

Your able assistance will be appreciated as it has been in the past. With all good wishes.

Sincerely,

15/

G. P. Gabell General, USAF Acting Director

Enclosures

0 + 1 disput Approved For Release 2003/07/29: CIA-RDP80B01676R001000050002-60 greene Come of DDES

Approved For Release 2003/07/29 : C	
Concurrence Sheet - Letter to Hon	orable John L. Moore, Ad
tor of General Services, dtd 31 Acting Director, re	
ton, D. C.	Was
CONCURRENCES	
	3/ aut (e)
Deputy Director (Support)	Date
s/ James A. Garrison	31 October 1961
Director of Logistics	Date
	7
General Counsel	Date 31 October 190
OL/OGC:OEP:feb (31 Oct 61)	
Retyped OGC:LRH:jeb (31 Oct 61)	
Distribution	
O&l-Addressee	
1-DCI	
1-DDCI	
1-ER	
2∞DD/S	
1-DD/I	
1-DD/P 1-IG	
2-OGC	
1-D/NPIC	
1-OL/OGC	
1-OL Files	
1-OL/RE&CD	
1-D/L Suspense w/drawn	
Originated by	

25X1

25X1

25X1



DD/S 61-3618 CCC 61-188

Honorable John L. Moore Administrator General Services Administration Washington 25, D. C.

Dear Mr. Moore:

This is in reference to the proposed new quarters of the National Photographic Interpretation Center which will be located in washington, D. C.

Because of the recent substantial increases in the volume of significant intelligence data available to the intelligence community, the President's Foreign Intelligence Advisory Board with the approval of the President has requested that there be explored the possibility of accelerating the time when the Center is to become operational. Seattached copy of memorandum, dated October 11, 1961, from the Honorable McGeorge Bundy to the Chairman, United States Intelligence Board, and the Director's reply thereto.

It is respectfully requested that the Public Buildings Service, which is the Construction Agent of the Central Intelligence Agency, negotiate a cost-plus-a-fixed-fee contract for construction of the Center, pursuant to authority contained in Sec. 304(b) of the Federal Property and Administrative Services Act of 1949, as smended. I feel strongly that this method of contracting will accelerate the time when will become operational. The Contract Architect-Engineer has been consulted in this matter and has agreed that he can provide at an early date plans adequate for the negotiation of a contract to be followed by commandement of construction, whereas it would take mearly four months to develop the specifications needed in advertising for bids.

Due to the fact that there are many unresolved problems in the systems study, it is clear there will be a large number of substantial change orders to be executed in earlying out the contract. From our

25X1

25X1

bee shows that under a fixed price contract, the cost of such change erders would be considerably more than if the changes were cade under a negotiated contract of the type we are seeking and without the built in cost contracts of the cost-plus-a-fixed-fee contract. Based on these contitions and all other information available, I believe that there is sufficient beath for a determination that a cost-plus-a-fixed-fee xentract is likely to be less costly than other methods of contracting.

In addition, I feel that in a fixed price contract, because of the momentum change orders, we would be at the marry of the contractor with respect to completion dates and thus could not be assured of the pliance with the request of the Intelligence board, approved by the President, for acceleration of the work to be done. It is, therefore, suggested that Sec. 308(c)(2) of the Poteral Property and Administration Services Act of 1999, as assured, be used as the justification for negotiating the contract, i.e., the public exigency will not admit of the delay incident to advertising. This is because of the segmitting and national importance of this project as indicated in the stracked negotiation from the White Rosse

Your able essintance will be appreciated as it has been in the past. With all good vishes.

Simporely,

C. P. Cabell Licutement General, USA? Acting Director

DESTORMEN	
CONCURRENCES:	
Deputy Director (Support)	Date
/s/ James A. Garrison Director of Logistics	27 Oct 1961
General Counsel	27 Oct '6/

## CONFIDENTIAL Approved For Release 2003/07/29 : CIA-RDP80B01676R001000050002-6

Distribution:

25X1 25X1

25X1

Orig & 1 - Addressee
l - Bei
1 - DOCI
2 - <b>m/</b> 3
1 - D9/I
1 - DD/P
1 - 10
2 - CQC
1 - D/MPIC
1 - 0i/cuc
1 - OL Files
1 - OL/ROLCD
1 - D/L Suspense v/dresm
05/00C: 120b (27 Cet 51) Retyped: 05/00C: 1eq (27 Cet 61)
Originated by:
Accistant Comment Comment
Title Ret.

has show that under a fixed price contract, the cost of sech charge archers would be considerably some than if the changes were made under a magnificated contract of the type we are seeking and without the multin cost contracts of the cost-plus-a-fixed-fee contract. Based on these conditions and all other information synthelic, I find that there is sufficient basis for a determination that a cost-plus-a-fixed-fee contract is likely to be less costly than other methods of contracting.

In addition, I feel that in a fixed price contrast, because of the numerous change orders, we would be at the marry of the contractor with respect to completion desen and thus could not be assured of compliance with the request of the intelligence board, approved by the President, for acceleration of the work to be done. It is, therefore suggested that fee, jim(c)(2) of the Peterni Property and Administrative Services Act of 1969, as spended, be used as the justification for negotiating the contract, i.e., the public anigmacy will not admin of the daily incident to advertising. This is because of the amounts and meticanal importance of this project as indicated in the attacked memorandum free the Write House.

Your thic assistance will be appreciated as it has been in the past. With all good wishes.

Mincopoly,

C. P. Cobell Lieutement General, USAF Acting Director

Englosures

25X1

CONCURRENCES:

Deputy Director (Support)	Date
Director of Logistics	27 Oct. 1961
s/ Lawrence R. Houston	31 OCT 1961
General Counsel	Date

```
Distribution:
  Orig & 1 - Addressee
         1 - DCI
         1 - DDCI
         - IR
         2 - DD/8
         1 - m/I
         1 - 10/P
         1 - 10
         2 - OCC
         1 - D/NPIC
         1 - OL/OGC
         1 - OL Files
         1 - OL/REACD
         1 - D/L Suspense w/drawn
OL/OGC:
              :feb (27 Oct 61)
Originated by:
                  Assistant General Counsel
                  Hitle
```

25X1

25X1

25X1

Honorable John L. Hoore Administrator General Services Administration Washington 25, N. C.

Dear Mr. Moore:

	This is	in reference t	o the	<b>Subothed</b>	new	quarters	of t	hu mable at
Pho	rtographic	Interpretation	Cente	r which r	111	be locate	l in	
nt			Washi	ngton, D.	. C.			

Because of the recent substantial increases in the volume of significant intelligence data available to the intelligence disseming the President's Foreign Intelligence Advisory Board with the approve that the President has requested that there be explored the possibility of accelerating the time when the Center is to become operational. For attached copy of memorandum, dated October 11, 1961, from the Proper block McGeorge Hundy to the Chairman, United States Intelligence Proper at my reply thereto.

Due to the fact that there are many unresolved problem in the systems study, it is clear there will be a large number of substant in change orders to be executed in companying out the contract. Imperious:

25X1

experience, we believe that under a fixed price contract the cost on such change orders would be considerably more than if the changes were made under a negotiated contract of the type we are seeking and without the built in cost controls of the cost-plus-a-fixed-fee contract. Named on these conditions and all other information available, I believe there is sufficient basis for a determination that a cost-plus-a-fixed-fee contract is likely to be less costly than other methods or cost artises.

In addition, I feel that in a fixed price contract, because of the masserous change orders, we would be at the mercy of the contractor with respect to completion dates and thus could not be assured of completione with the request of the Intelligence Board, approved by the Bresident, for acceleration of the work to be done. It would seem that Sec. 3:2 (c)(2) of the Federal Property and Administrative Services Act of 1:49, as anomaed, is a proper vehicle for negotiating the contract, i.e., the public exigency will not admit of the delay incident to advertising this is because of the magnitude and maticall importance of this project as indicated in the attached misorrandum from the White House.

Your shie sesistance will be appreciated as it has been in the year. With all good wishes.

Sincerely,

C. P. Cabell Lieutement General, UFAF Acting Birector

CONCURRENCES:

Deputy Director (Support)

Date

Sign 1001 1001

Date

General Counsel

25X1

Date